

From: judson
To: micro
Date: 11/28/01 6:20am
Subject: you must stop microsoft!

"Around half of the computers in education today are Apple computers, and we're the second largest supplier overall and the largest supplier of portable computers to education," Apple CEO Steve Jobs said in a statement released Tuesday.

"Given this, we're baffled that a settlement imposed against Microsoft for breaking the law should allow--even encourage--them to unfairly make inroads into education, one of the few markets left where they don't have monopoly power."

In its legal brief, Apple argued that the settlement structure would ensure "that any benefits will come at an unacceptable cost to schools and the public by extending and strengthening the Microsoft monopoly. By its very nature, the settlement would heavily promote and subsidize the schools' acquisition of Microsoft products at the expense of more effective and appropriate alternatives."

"Today our schools have a choice, and to date they have chosen Apple around half of the time," Jobs said. "We think our schools deserve to keep their power of choice, and our kids deserve better than having to learn on old, refurbished (Windows/Intel) computers."

Critics: Proposal anticompetitive

Apple isn't alone in criticizing the deal. On Monday, the Computer & Communications Industry Association (CCIA) and the American Antitrust Institute (AAI) sent separate letters to Motz asking him to reject the proposed agreement.

CCIA President Edward Black charged that "the court-ordered distribution of free software would be tantamount to judicially sanctioned predatory pricing by a monopolist in a critical market." Black argued that one of the few markets where Microsoft still faces competition is from Apple in the education sector.

"By allowing Microsoft to flood the education market with free software--at virtually no cost to the company--the court will be virtually assuring that no other competitor will be able to charge for its products," he said.

AAI President Albert Foer raised similar concerns.

"To the extent that this influx of Microsoft products undermines Apple, one of Microsoft's few remaining competitors, whose base of strength happens to be in the public schools, the proposed settlement of these antitrust suits may actually be anticompetitive," he wrote to Motz.

Critics of the deal argue that free software is hard to pass up and note that federal and state trustbusters filed their case in part because of the anticompetitive effects of Microsoft giving away valuable software to gain market share.

Franklin Williams, vice president of operations for AstroVision International, a provider of Earth-view images, doesn't see a problem with Microsoft giving away software to schools as long as it doesn't further entrench the Windows monopoly.

"Microsoft must donate software--and hardware if included--that does not support the Windows operating system," he said. "It should be fine if Microsoft ships millions of copies to schools for versions of its applications that do not run under Windows."

Guy Peterson, visual communications manager with Manitowoc Cranes in Manitowoc, Wis., also ripped into the settlement agreement.

"The CCIA is absolutely correct in its assessments that this settlement will block the sales of other software," he said. "The artificially inflated 'retail' cost of the software is a shallow marketing ploy, and...the tiny percentage of this 'penalty' will not seriously affect Microsoft."

Even consumers in Europe, where an antitrust investigation is still pending against Microsoft, contend the settlement is inadequate.

"It's my belief that if the profits made by doing what one is convicted (of) aren't undone, somehow the government isn't exactly sending out a strong signal that they would like companies to behave in different ways," said Arthur Bommelé, a network engineer from the Netherlands.

Alfie Lee, a registered nurse living in Tasmania, Australia, shared similar sentiments.

"Microsoft already with the monopolistic computer base gets to build upon it as 'compensation' for imposing their monopoly on the world," he said. "Rather than getting a smack, they get a whole new generation of enforced Microsoft users."